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CUSTOMER NUMBER 27792

2 IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

3 Appellants: Jason Wilcox et al. Attorney Docket No: MICR0216  
4 Serial No: 09/596,195 Group Art Unit: 3622  
5 Filed: June 17, 2000 Examiner: Duran, Arthur D.  
6 Title: INVENTORY MANAGEMENT

7 REPLY BRIEF TRANSMITTAL LETTER

8 9 Bellevue, Washington 98004  
10 11 September 28, 2004

12 TO THE COMMISSIONER FOR PATENTS:

13 Enclosed herewith for filing in the above-identified patent application is a Reply Brief in  
14 triplicate.

15 Please charge any additional fees or credit any overpayment to Deposit Account  
16 No. 01-1940. A copy of this sheet is enclosed.

17 18 Respectfully submitted,

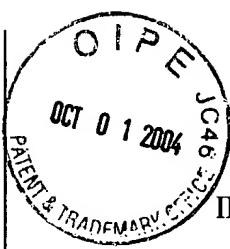
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19 20 Ronald M. Anderson  
21 22 Registration No. 28,829

23 I hereby certify that this correspondence is being deposited with the U.S. Postal Service in a sealed  
24 envelope as first class mail with postage thereon fully prepaid addressed to: Commissioner for Patents, P.O.  
25 Box 1450, Alexandria, Virginia 22313-1450, on September 28, 2004.

26 Date: September 28, 2004

*Kathy Da*



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9 TO THE DIRECTOR OF THE PATENT AND TRADEMARK OFFICE:

10 This document is a Reply Brief in an appeal of a final rejection of the above-identified patent  
11 application and is responsive to the Examiner's Answer dated July 30, 2004. The Board is requested  
12 to consider the following remarks in reaching a decision in this appeal.

13 REMARKS

14 Appellants respectfully disagree with the Examiner's analysis and interpretation of the play  
15 lists and priority queues disclosed by Brown in relation to appellants' claim on appeal. In particular,  
16 appellants respectfully request that the Board consider the following characteristics of Brown's  
17 priority queues and play lists, in order for the differences between Brown's priority queues and play  
18 lists and the item slot groups recited by appellants in these claims to be apparent.

19 Before discussing Brown's play lists and priority queues in detail, it will be helpful to review  
20 the paradigms employed by the ad matching services disclosed by Brown, and those disclosed by  
21 appellants. In Brown's system, websites (content sites) and end users (subscribers) register with an  
22 ad matching service. Then, the service selects a prioritized list of ads (a priority queue) to be  
23 displayed on each website and a prioritized list of ads to be displayed to each end user (as well as a  
24 prioritized list of ads to be displayed in a given time period). When an end user visits a website, the  
25 service uses the previously prepared prioritized lists of ads (specific to the end user, the website, and  
26 the time period) to generate a list of ads (a play list) to be displayed to the end user while the end  
27 user is browsing the website. Brown is clearly concerned with tailoring ads specific to end users,  
28 websites, and time periods, and concerned with doing a large amount of offline processing so that  
29 little computational resources are required after a request is received. Specifically, the only  
30 processing required in Brown after a request for ads is received is the selecting of ads from the  
previously generated prioritized lists of ads.

1       In appellants' ad matching service, the processing does not begin until a determination is  
2 made as to how many empty spaces are available in an inventory (i.e., there is no processing to place  
3 ads on a website until the number of spaces available for ads is determined). While Brown's goal is  
4 to match ads to specific to end users, websites, and time periods in real time without requiring  
5 substantial computational resources to be expended when the matching occurs, appellants' method  
6 attempts to solve a different problem. In appellants' claimed invention, ads placed on a website will  
7 correspond to that specific websites by different degrees. For example, a football ad will correspond  
8 very well to a website related to football. A sports related ad will also correspond to a football  
9 related website, but to a lesser degree. Thus in many cases, ads having different characteristic will  
10 be matched to open spaces for ads on websites. The present invention is directed to identifying the  
11 open spaces to be filled, and filling those spaces based on matching different characteristics of the  
12 content to the space available for the ads. Because there are significant differences between the ad  
13 matching paradigms disclosed by Brown and the approach used by appellants, it is not surprising  
14 that the organizational structures employed in Brown's ad matching service are appropriate for use  
in appellants' claimed invention.

15       In a telephone interview on January 30, 2003 (referenced both in the Amendment and  
16 Request for Reconsideration dated May 7, 2003, and the Interview Summary prepared by the  
17 Examiner dated January 31, 2003), appellants' attorney, the Examiner, and a Supervisory Examiner  
18 discussed Brown's priority queues. The discussion during this interview clarified that the  
19 Examiner's rejection is based on Brown's priority queues and on the Examiner's belief that the ad  
20 content therein is equivalent to appellants' recited item slot groups and item slots. Clearly the  
21 Examiner considers the priority queues disclosed by Brown to be equivalent to appellants' item slot  
22 groups. Appellants have never agreed with the Examiner's interpretation of Brown and this basis for  
23 the rejection of the claims on appeal.

24       After the above noted Interview, in an attempt to more clearly distinguish over Brown,  
25 appellants amended Claims 1, 8, 13 (and added new Claim 20) to clearly recite that *before* the item  
26 slot groups are constructed, the number of empty item slots in an inventory is determined (see the  
27 Amendment and Request for Reconsideration dated July 1, 2003). Thus, in the invention defined by  
28 Claims 1, 8, 13, and 20, the number of empty item slots in an inventory is first determined, and then  
29 those empty item slots are organized into item slot groups based on common characteristics. Using  
30 examples from appellants' specification, each empty item slot can correspond to a portion of a

1 website where a banner ad can be displayed. FIGURE 3 and the text on pages 12 (lines 15-19)  
2 and 13 (lines 17-19) of appellants' specification provide an example of 70 total spaces for ads on  
3 various baseball related websites, 80 total spaces for ads on various football related websites, and  
4 60 total spaces for ads on various video game related websites. Significantly, the number of empty  
5 items slots, and the characteristics of the empty item slots (baseball related, versus football related,  
6 versus video game related) are determined *before* any organizational structure, such as an item slot  
7 group or a meta item slot group, is created.

8 This approach is distinctly different than what is disclosed or suggested by Brown.  
9 According to Brown, *before* the number of empty item slots in an inventory (i.e., the number of  
10 spaces available for banner ads) is determined, organizational structures referred to by Brown as  
11 priority queues are developed. Basically, a priority queue is filled with many different ads, such that  
12 when a request for a certain number of ads is made (i.e., a request for a play list), that request can be  
13 rapidly filled *in real time*. (See Brown, column 2, lines 22-23.) Analysts can use many different  
14 rules to determine the contents of the priority queues. Priority queues are made for *each* subscriber,  
15 *each* content site, and *each* time period (Brown, column 3, lines 55-61). Clearly, Brown teaches that  
16 significant computational resources are consumed before a determination of the number of empty  
17 spaces in an inventory is defined (i.e., before a request for a play list is generated). Once the priority  
18 queues are generated, they are sent to an online queue manager that receives requests for content.  
19 Each request for content specifies the subscriber, the content site, and the time period time that are  
20 applicable. The online queue manager uses the appropriate priority queues to produce a play list  
21 (Brown, column 4, lines 7-15). Most importantly, it is clear that Brown's priority queues are  
22 generated *before* a request for a play list is generated, such that the number of ads in a priority queue  
23 is *not related* to the number of empty item slots in an inventory (and cannot logically be related to  
24 the number of empty item slots, because that number has not yet been determined). Therefore,  
25 Brown's priority queues cannot be logically equivalent to appellants' item slot groups, because  
26 appellants' item slot groups are produced only *after* the number of empty slots in an inventory is  
determined.

27 For a priority queue to be equivalent to appellants item slot groups, as recited in  
28 Claims 1, 8, 13 and 20, the creation and population of a priority queue would have to include the  
29 steps of: (1) determining a number of empty spaces in an inventory; (2) organizing the empty spaces  
30 into groups according to common characteristics; and, (3) filling the empty slots with content by

1 matching characteristics. While appellants' agree that priority queues are filled by matching ads to  
2 the rules defined by an analyst for each priority queue; however, there does not appear to be any  
3 reasonable basis for concluding that Brown teaches or suggests that to create a priority queue, the  
4 number of empty spaces in an inventory is first determined, so that the number of empty slots in the  
5 priority queues precisely equals the number of empty spaces in the inventory. Clearly, Brown  
6 teaches that priority queues are created and filled with ad content without regard for the number of  
7 available slots to be filled. For any given priority queue, a relational data base filled with ad content  
8 is analyzed according to the rules defined by an analyst, and those ads that match the rules are  
9 included in the priority queue. Clearly, the number of ads in a priority queue is a function of the rules  
10 controlling the filling of the priority queue, and the contents of the relational database. There simply  
11 is no basis to conclude that the number of item slots (or spaces) in a priority queue is based on  
12 determining a number of empty spaces in an inventory.

13 Furthermore, appellants' item slot groups are organizational structures that include a  
14 precisely defined number of item slots, even when those item slots are empty. In the above example  
15 from appellants' specification, it is determined that there are spaces for 210 ads (70 spaces on  
16 baseball related websites, 80 spaces on football related websites, and 60 spaces on video game  
17 related websites) on various websites, and those spaces can be organized into three different item  
18 slot groups based on shared characteristics (i.e., an item slot group of 70 spaces for ads on baseball  
19 related websites, an item slot group of 80 spaces for ads on football related websites, and an item slot  
20 group of 60 spaces for ads on video game related websites). Thus even when empty, the number of  
21 item slots in different item slot groups can, and usually will, vary. Regardless, the number of item  
22 slots in an item slot group is a function of the number of spaces in an inventory, which is a point that  
23 is not taught or suggested by Brown.

24 Now consider a priority queue. Significantly, Brown never states how many empty item  
25 "slots" there are in an empty priority queue, before the priority queue is filled with content according  
26 to the analysts' rules. The only reasonable possibilities are that each empty priority queue has: (1)  
27 no slots; (2) a fixed, predetermined number of slots; or (3) a number of slots defined by an analyst.  
28 Referring to the first of the three possibilities, the priority queues could be programmatically defined  
29 such that they can accommodate a maximum amount of data, and every time additional content is  
30 added, a new slot is produced in the priority queue to accommodate that content. Thus, an empty  
priority queue would have no internal compartmentalization (i.e., no slots), and when filled with

1 50 different ads, would necessarily include 50 different slots. Clearly, such a priority queue is not  
2 generated by determining a number of empty slots in an inventory, and generating an organizational  
3 structure with that many slots.

4 Referring to the second of the three possibilities, the priority queues could be  
5 programmatically defined such that they each include a predetermined number of slots. Using the  
6 example from appellants' specification, in such a case, a priority queue for baseball ads, a priority  
7 queue for football ads, and a priority queue for video game ads would each have the same number of  
8 slots (note that in accord with appellants' claimed invention, a priority queue for baseball ads, a  
9 priority queue for football ads, and a priority queue for video game ads need not and will likely not  
10 have the same number of empty slots). In any case, priority queues programmatically defined so as  
11 to each include the same predetermined number of slots are clearly not based on the number of  
12 empty spaces in an inventory.

13 Referring to the third of the three possibilities, the priority queues theoretically each could be  
14 programmatically defined by the analyst to include a specific number of empty slots, different for  
15 each priority queue. However, Brown does not teach or suggest this. Brown only teaches that  
16 priority queues are filled by using analyst-defined rules to filter the content of a relational database  
17 that is filled with ads. It does not seem reasonable that an analyst could predict that for a given set of  
18 rules and a given database, the priority queue must be able to accommodate a specific number of  
19 ads. Even more significantly, Brown does not teach or suggest that when an analyst is determining  
20 the rules used to fill a priority queue, there has been *any initial determination of the number of empty*  
21 *spaces in an inventory that need to be filled*, such that the analyst can define the size of the priority  
queue to include just that many empty spaces.

22 On page 19 of the Examiner's Answer, the Examiner states that Brown discloses building  
23 priority queues using predetermined rules, building many different priority queues, and that some  
24 queues can be empty (such as when specific rules for a priority queue are applied to the database and  
25 no matching ads are found). Appellants agree. The Examiner also states that priority queues are of  
26 different sizes. Appellants believe a more correct statement would be that different priority queues  
27 can have different amounts of *content*. For example, a first priority queue filled using a first set of  
28 rules may include 100 ads, while a second priority queue filled using a second set of rules may  
29 include 200 ads. Brown simply does not provide any detail as to how many *empty slots* are in a  
30 priority queue before the rules are used to filter the database to fill the priority queues with ads, and

1 does not teach or suggest that the number of empty slots in a priority queue has any relationship to  
2 the number of spaces for banner ads on a website (or the number of empty spaces in an inventory).

3 The Examiner continues by stating (Examiner's Answer, last paragraph of page 19) "Brown  
4 further discloses receiving priority queues and then sending content play lists for those queues." Appellants believe that a more correct analysis of Brown's disclosure is that Brown teaches  
5 producing priority queues according to analyst-defined rules, sending those priority queues to an  
6 online queue manager that uses the priority queues to fill requests for content, receiving a request for  
7 content specific to a particular subscriber, content site, and time period, and using the priority queues  
8 for the subscriber, content site, and time period to generate a play list, the play list including ads to  
9 be displayed to the specific subscriber visiting the specific website during the specific time period.  
10

11 The Examiner further states (Examiner's Answer, last paragraph of page 19) "Note that the  
12 priority queue is synonymous with a[n] predetermined number of empty slots that need to be filled." Appellants respectfully disagree. The play list disclosed by Brown is an organizational structure that  
13 includes a predetermined number of slots that need to be filled. Based on Brown's disclosure, there  
14 simply is no way of knowing how many empty slots are in a priority queue. As discussed above,  
15 each empty priority queue might include no slots, or a fixed number of slots. In any event, it does  
16 not appear correct to conclude that the slots in a priority queue as taught by Brown need to be filled.  
17 Priority queues are filled by filtering a database according to analyst-defined rules. Brown clearly  
18 teaches that sometimes such filtering will achieve an empty priority queue. That's not a problem,  
19 because other priority queues are also generated, and at least some priority queue will be available to  
20 fill the play list, *which does need to be filled*, or some space on a webpage will not be filled with a  
21 banner ad. The play lists *need to be filled*; the priority queues do not need to be filled.  
22

23 The Examiner states (Examiner's Answer, last paragraph of page 19) "Brown then returns a  
24 play list that has content filling the queue that was received." Appellants respectfully submit that  
25 this statement does not correspond to Brown's disclosure. Brown returns a play list that is filled  
26 with content originating in one or more of the priority queues generated *before* the request for a play  
27 list was received. Those priority queues are created and sent to an online queue manager, which  
28 manipulates the priority queues to fill a play list once a request for content is received. The play list  
29 does not *fill the queue that was received*; the priority queues received by the online queue manager  
30 are used to fill the play list.  
31  
32     ///

1       It is interesting to note that one of the reasons Brown teaches that many different priority  
2 queues are developed is that a priority queue is generated for each subscriber, (i.e., each client using  
3 a web browser to “surf” a network), each content location (i.e., each network location), and each  
4 time period (Brown, column 3, lines 55-61). Thus, when subscriber X visits website Y at time Z,  
5 priority queues X, Y, and Z are used to create a play list customized for that specific subscriber,  
6 visiting that specific website, at that specific time. Significantly, only the request for a play list has  
7 any relationship to appellants’ recited steps of determining a number of empty slots in an inventory.  
8 Nevertheless, producing priority queues used to fill a play list before the number of spaces in a play  
9 list are determined is not equivalent to the steps recited in Claims 1, 8, 13, and 20, because as recited  
10 in these claims, the number of empty slots are determined *before* appellants’ organizational  
11 structures (item slot groups and meta item slot groups) are generated.

12     The Examiner states (Examiner’s Answer, 2<sup>nd</sup> paragraph of page 20) that Brown discloses  
13 “[a] play list filling each previously empty queue.” It is not clear what “queue” the play list fills.  
14 As appellants understand Brown’s disclosure, when a subscriber visits a content site, a request for  
15 one or more ads to display to the subscriber on the pages of the content site is sent to Brown’s online  
16 queue manager. The online queue manager uses the previously generated priority queues specific to  
17 the subscriber, the content site, and the time period to generate a play list. It is not clear from  
18 Brown’s disclosure whether the play list includes only a specific number of ads equal to the number  
19 of spaces on the content site, or whether “extra” ads are included in the play list, so that one ad can  
20 be displayed briefly, to be replaced by a new ad after a short time. Regardless, the only  
21 organizational structure disclosed by Brown that is generated *after* a determination of the number of  
22 empty spaces in an inventory (i.e., after Brown’s request for content) is a play list, and the play lists  
23 disclosed by Brown are not manipulated in the same way that appellants item slot groups and meta  
item slot groups are, as was discussed in detail in appellants’ appeal brief.

24     Indeed, appellants’ claims recite that once the number of empty item slots are determined,  
25 those item slots are organized into item slot groups based on shared characteristics. Referring to  
26 appellants’ example, it is determined that there are 210 spaces for ads on a variety of different  
27 websites, and those spaces are organized into item slot groups corresponding to 70 spaces for ads on  
28 baseball sites, 80 spaces for ads on football sites, and 60 spaces for ads on video game sites.  
29 Because a request for content in Brown’s system is based on a *specific subscriber* and a *specific  
content site*, there is no organization of the empty spaces, because all the empty spaces relate to that  
30

1 subscriber and to that content site. In Brown's system, each request for content is unique to a  
2 specific subscriber, a specific content site, and a specific time (Brown, column 4, lines 7-15). For  
3 that specific request, the appropriate subscriber, content site, and time period priority queues are  
4 used to generate a play list. Accordingly, all empty slots in a play list are already organized by  
5 shared characteristics, since they all relate to the same time period, the same subscriber, and the  
6 same content site/website. Thus, neither Brown nor any of the other art cited teaches or suggest  
7 appellant's recited steps of determining the number of empty slots in an inventory, *and then*  
8 organizing those empty slots into an organizational structure. There appears no logical reason to  
9 modify Brown to include appellants' recited step, and no combination of Brown and any other cited  
10 art achieves an invention equivalent that recited in appellants' claims on appeal. .

11 Appellants' agree with the Examiner (Examiner's Answer, page 21, first paragraph) that  
12 Brown discloses a play list that represents empty slots in an inventory filled using items of different  
13 types (i.e., ads from the subscriber queue, the content site queue, and the time period queue  
14 corresponding to the request for the play list). However, as discussed above, neither Brown's play  
15 lists nor his priority queues are equivalent to appellants' item slot groups and meta item slot groups.

16 With respect to the Examiner's comments regarding combining Brown and Herz, the  
17 Examiner states that the test of what the combined teachings of the references would have suggested  
18 to those of ordinary skill in the art is to be used to evaluate obviousness. Appellants disagree that  
19 one of ordinary skill in the art would conclude that either Brown's priority queues or Brown's play  
20 lists would benefit from hierarchical clustering disclosed by Herz. The Examiner justifies this  
21 rejection on the basis that Herz's hierarchical clustering allows Brown's folders, sub folders,  
22 categories, and priority queues to be better organized. As appellant understands the folders,  
23 subfolders, and categories disclosed by Brown, such organizational structures are used by an analyst  
24 to facilitate the promulgation of rules that are used to filter the ad content of the relational database  
25 to *generate* the priority queues. Even if those folders, subfolders, and categories are organized  
26 hierarchically, the results are not priority queues, and the Examiner has indicated (see the Interview  
27 Summary prepared by the Examiner dated January 31, 2003) that it is the priority queues that are  
28 equivalent to appellants' item slot groups and meta item slot groups. There appears no clear benefit  
29 to incorporating Herz's hierarchical clustering in priority queues or play lists, and thus, one of  
30 ordinary skill would hardly be led to make such a modification. Even if there might be some  
apparent benefit to organizing Brown's priority queues hierarchically, Brown's priority queues are

1 not equivalent to appellants' item slot groups and meta item slots groups, for the reasons discussed  
2 above. Therefore, such a combination would not achieve appellants' invention as defined in  
3 Claims 1, 8, 13, and 20.

4 Appellants have raised the issue that Brown's ad matching involves computationally  
5 intensive manipulation of data offline, to generate priority queues for each subscriber, each content  
6 site, and each time period. This offline computation enables requests for content (i.e., a request for a  
7 play list for a specific subscriber, a specific content site, and a specific time period) to be filled very  
8 quickly, by enabling selection of ads from the priority queues for a specific subscriber, a specific  
9 content site, and a specific time period. With respect to appellants' efficiency argument, it appears  
10 that the Examiner's combination of Brown and Herz contemplates hierarchically sorting the play list  
11 generated by Brown's ad matching (since the play list is the only organizational structure generated  
12 after an inventory of empty slots is determined, and since applying a hierachal sort to Brown's  
13 priority queues cannot be equivalent to appellants' invention, because priority queues are not  
14 equivalent to appellants' item slot groups and meta item slot groups, for the reasons discussed above,  
15 and in appellants' Appeal Brief). To do so would require additional online computation resources  
16 (i.e., additional resources *after* a request for content was received), but such a modification would be  
17 contrary to Brown's stated goal of achieving a method that performs intensive computational  
18 manipulations offline to generate priority queues, so that online ad matching can occur quickly with  
19 relatively few computational resources required at that time.

20 MPEP 2141.02 indicates that the entire prior art reference must be considered, including  
21 portions of the reference that teach away from the suggested combination. Brown clearly favors  
22 applying computational resources offline to maximize the ability to very quickly provide online ad  
23 matching to requests for content. Any modification that requires the use of additional online  
24 computational resources must be considered in light of Brown's disclosure, which arguably teaches  
25 against such a modification. Further, MPEP 2143 states that the modification cannot change the  
26 principle operation of the reference. Slowing down Brown's online ad matching arguably changes  
27 Brown's principle of operation, which clearly favors offline processing over online processing, in  
28 order to achieve quick real-time ad matching. Such factors must be analyzed in determining whether  
29 a combination of references would have been obvious to one of ordinary skill in the art. If such an  
30 analysis is applied, it will be apparent that the combination of prior art proposed by the Examiner is  
not obvious to one of ordinary skill in the art.

From the preceding discussion, it will be apparent Brown's priority queues and play lists are not equivalent to appellants' item slot groups and meta item slot groups. The cited art does not teach or suggest the modifications to Brown's priority queues and play lists required to achieve appellants' item slot groups and meta item slot groups, and any combination of art cited by the Examiner fails to achieve an equivalent invention. Accordingly, the Examiner's position in rejecting the claims on appeal is without merit and Appellant again asks that the Board overrule the Examiner's rejection of these claims and instruct the Examiner to pass the application to issue without delay.

Respectfully submitted,

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Date: September 28, 2004

28, 2004.  
Kathy Lain

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